GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3029
ANSWERED ON:02.08.2002
FILING OF PAPERS BY COMPANIES
AMBATI BRAHMANAIAH

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued a directive that foreign companies have to pay heavy fines for not filing statutory papers like balance sheets in time;

(b) if so, the details thereof;

(c) whether a large number of foreign companies have avoided filing of balance sheets;

(d) if so, the number of foreign companies have sought condonation of delays in filing of statutory papers in Delhi area in 2001-2002; and

(e) the steps taken to ensure strict compliance of such directives by the Government?

Answer

MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a) and (b): The Department has standardised the additional fees chargeable for condonation of delay in filing the statutory documents by foreign companies as under:-

	Period of delay	Rates of additional fee
(i)	Upto one month	One time of normal filing fee
(ii)	More than one month and upto three months	Two times of normal filing fee
(iii)	More than three months and upto six months	Four times of normal filing fee
(iv)	More than six months and upto one year	Six times of normal filing fee
(v)	More than one year and upto two years	Eight times of normal filing fee
(vi)	More than two years	Nine times of normal filing fee

(c) to (e): During the financial year 2001-2002, the Central Government had received applications from more than 100 foreign companies seeking condonation of delay. Default notices have been issued to 69 foreign companies by Registrar of Companies, Delhi. The Department has requested the Reserve Bank of India to inform the Registrar of Companies, Delhi as and when approval for opening of offices/liasion offices by foreign companies is issued by it.